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State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

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OGM  
MINERALS PROGRAM  
FILE COPY

March 24, 1989

CERTIFIED RETURN RECEIPT  
P 592 431 905

Mr. Ron McFadden  
Vice President of Finance  
Interpace Industries  
Woodinville, Washington 98072

Dear Mr. McFadden:

Re: Bonding Requirements, Clinton Pit, M/049/006, Utah County, Utah and Pleasant View Pit, M/057/003, Weber and Box Elder Counties, Utah

On January 26, 1989, the Board of Oil, Gas and Mining (Board) conditionally approved your proposal for the form and amount of surety required for the above referenced mines.

The following conditions must be met to satisfy the Board:

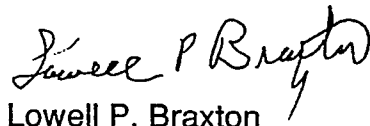
- (a) The enclosed Reclamation Contract and Collateral Bond Agreement (Exhibit B) must be signed and returned; and
- (b) The incremental surety schedule must be strictly followed.

As I explained in an earlier letter, dated December 7, 1988, the Board had not previously approved this type of surety arrangement for minerals reclamation bonds. The acceptance of this form of surety will be the first in the minerals program. I cannot over emphasize the importance of your timely compliance with the conditions outlined in the Collateral Bond Agreement.

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Ron McFadden  
Interpace Industries  
March 24, 1989

Please complete the enclosed forms and return them to me no later than April 28, 1989. After the Board chairman signs them, I will return a copy for your files. Do not hesitate to call me or Scott Johnson if you have any questions.

Sincerely,

A handwritten signature in cursive script, reading "Lowell P. Braxton".

Lowell P. Braxton  
Administrator  
Minerals Resource Development  
and Reclamation Program

jb  
Enclosure  
cc: Scott Johnson  
MN18/61-62